

LIVESTOCK PRODUCTION COSTS

HOG PRODUCTION COSTS AND RETURNS HEARTLAND REGION 1/, 2005

Item	All Hogs	Farrow to Finish	Farrow to Feeder Pig 2/	Feeder Pig to Finish
Dollars per Cwt Gain 3/				
Gross Value of Production:				
Market Hogs	50.94	48.84	0.35	58.77
Feeder Pigs	16.50	0.77	113.66	0.02
Cull Stock	0.70	2.04	6.41	0.00
Breeding Stock	0.05	0.16	0.12	0.01
Inventory Change	0.05	0.28	-0.08	0.00
Other Income 4/	2.30	2.05	1.63	2.40
Total, Gross Value of Production	70.54	54.14	122.09	61.20
Operating Costs:				
Feed--				
Grain	2.75	7.22	2.16	1.73
Protein Sources	2.28	6.10	1.71	1.34
Complete Mixes	11.53	5.55	45.23	10.80
Other Feed Items 5/	0.10	0.24	0.23	0.07
Total, Feed Costs	16.66	19.11	49.33	13.94
Other--				
Feeder Pigs	21.47	0.14	0.00	21.32
Veterinary and Medicine	0.97	1.45	4.81	0.58
Bedding and Litter	0.02	0.03	0.31	0.01
Marketing	0.72	0.40	2.06	0.47
Custom Services	0.28	0.29	0.94	0.25
Fuel, Lube, and Electricity	1.22	1.91	4.91	0.82
Repairs	0.70	1.05	2.03	0.48
Interest on Operating Capital	0.71	0.41	1.09	0.64
Total, Operating Costs	42.75	24.79	65.48	38.51
Allocated Overhead:				
Hired Labor	1.66	3.32	9.54	0.52
Opportunity Cost of Unpaid Labor	3.22	6.01	11.29	2.19
Capital Recovery of Machinery and Equipment	7.01	10.13	24.00	4.27
Opportunity cost of Land (rental rate)	0.03	0.06	0.10	0.02
Taxes and Insurance	0.51	0.75	1.76	0.38
General Farm Overhead	1.21	1.37	6.55	0.78
Total, Allocated Overhead	13.64	21.64	53.24	8.16
Total Costs Listed	56.39	46.43	118.72	46.67
Value of Production Less Total Costs Listed	14.15	7.71	3.37	14.53
Value of Production Less Operating Costs	27.79	29.35	56.61	22.69
Supporting Information:				
Production Arrangement (percent of farms)				
Independent	49	100	53	38
Under Contract	51	0	47	62
Size of Operation (head sold/removed)				
Market Hogs	3,011	1,826	4	4,335
Feeder Pigs	2,626	73	3,554	2

1/ Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

2/ Data published is for the United States, data for Heartland Region not available.

3/ Cwt. gain = (cwt. sold - cwt. purchased) + cwt. inventory change.

4/ Value of manure production.

5/ Milk replacer, milk, milk by-products, antibiotics, and other medicated additives.

Source: Economic Research Service

LIVESTOCK PRODUCTION COSTS

COW-CALF, AND MILK PRODUCTION, COSTS AND RETURNS, HEARTLAND REGION, 2005 ^{1/}

Cow-Calf Production		Dollars Per Bred Cow	Milk Production		Dollars Per Cwt
Gross Value of Production:			Gross Value of Production:		
Steer Calves		246.54	Milk		15.81
Heifer Calves		165.33	Cattle		1.92
Yearling Steers		48.03	Other Income ^{3/}		1.19
Yearling Heifers		14.77	Total, Gross Value of Production		18.92
Other Cattle		91.62			
Total, Gross Value of Production ^{2/}		570.87			
Operating Costs:			Operating Costs:		
Feeder Cattle		32.02	Feed--		
Feed--			Feed Grains		1.71
Concentrates and Other Feed		28.36	Hay and Straw		2.47
Supplemental Feed		32.35	Complete Feed Mixes		1.01
Harvested Forages		183.93	Liquid Whey and Milk Replacer		0.14
Cropland Pasture		15.12	Silage		0.94
Private Pasture		86.52	Grazed Pasture and Cropland		0.15
Public Land		0.37	Other Feed Items ^{4/}		1.80
Total Feed Costs		346.65	Total Feed Costs		8.22
Other--			Veterinary and Medicine		0.84
Veterinary and Medicine		41.38	Bedding and Litter		0.24
Bedding and Litter		1.48	Marketing		0.23
Marketing		4.58	Custom Services		0.58
Custom Operations		43.09	Fuel, Lube, and Electricity		0.92
Fuel, Lube, and Electricity		43.19	Repairs		0.71
Repairs		31.42			
Interest on Operating Inputs		8.86	Interest on Operating Capital		0.20
Total, Operating Costs		552.67	Total Operating Costs		11.94
Allocated Overhead:			Allocated Overhead:		
Hired Labor		0.65	Hired Labor		0.91
Opportunity cost of Unpaid Labor		231.63	Opportunity Cost of Unpaid Labor		6.05
Capital Recovery Cost (Machinery & Equipment)		321.79	Capital Recover of Machinery and Equipment ^{5/}		5.45
Opportunity Cost of Land		6.23	Opportunity Cost of Land (rental rate)		0.10
Taxes and Insurance		45.59	Taxes and Insurance		0.21
General Farm Overhead		92.36	General Farm Overhead		0.65
Total, Allocated Overhead		698.25	Total, Allocated Overhead		13.37
Total Cost Listed		1,250.92	Total Costs Listed		25.31
Value of Production Less Total Costs Listed		-680.05	Value of Production Less Total Costs Listed		-6.39
Value of Production Less Operating Costs		18.20	Value of Production Less Operating Costs		6.98

^{1/} Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

^{2/} Includes marketing cost below to avoid double counting. Market prices used to update gross value of production are net of marketing costs.

^{3/} Income from renting or leasing dairy stock to other operations; renting space to other dairy operations; co-op patronage dividends associated with the dairy; assessment rebates, refunds, and other dairy-related resources; and manure production.

^{4/} Cotton seed meal, protein supplements, protein byproducts, vitamin or mineral supplements, nonprotein byproducts, alfalfa cubes or pellets, green chop, corn stalks, and antibiotics and other medicated additives.

^{5/} Machinery and equipment, and housing, manure handling, and feed storage structures, and dairy breeding herd.